

Housing Element Update

2014-2021



Public Workshop
March 27, 2013



Workshop Agenda



- Background- What is a Housing Element?
- Review of 2008-2014 Housing Element
- Preview Draft 2014-2021 Housing Element
 - Highlights of new statistical data
 - Conclusions that lead to Goals and Programs of Housing Element
 - Review of Goals and Programs
- Receive input regarding conclusions and programs found in Draft
- What's next in the Update process

What is the Housing Element?



- Sets 8-year plan to meet the existing and projected housing needs of all economic segments of the community
- Identifies constraints to the development and maintenance of housing
- Establishes goals, policies, and programs pertaining to housing needs

Housing Needs



- Analysis of population and employment trends
- Analysis of household characteristics, overpayment, overcrowding, and housing stock conditions
- Special housing needs (i.e. elderly, disabled, female-headed households, large families, farm workers and homeless persons and families)
- Analysis of units at-risk of conversion to market-rate
- RHNA - Regional Housing Needs Allocation

Goals, Policies & Programs



- Addresses identified housing needs on focus on:
 - Conservation and Improvement of Housing
 - Variety of Housing Opportunities
 - Adequate Residential Sites
 - Provision and Preservation of Affordable Housing
 - Housing for Special Needs Group
 - Fair Housing
 - Program Monitoring

What is Considered Affordable ?



Income Group (defined as % of County MFI \$85,300)	Median Income (4-person family)	Two-Bedroom Rental (Max. Rent)	Two-Bedroom Ownership (Max. Sales Price)
Extremely Low (<30% MFI)	\$28,900	\$722.50	\$86,700
Very Low (<50% MFI)	\$48,150	\$1,203.75	\$144,450
Low (51-80% MFI)	\$77,050	\$1,926.25	\$231,150
Moderate (81-120% MFI)	\$102,350	\$2,558.75	\$307,050

*Based on 2012 Income Limits

Review of Housing Element Past Performance



- Review program effectiveness
- Progress in implementation of programs
- Evaluate appropriateness of existing goals, policies, and programs
- Revise programs as necessary

2008-2014 Housing Element



- Update process began in 2008
- Implementing a new General Plan (2006)
- Subject to several new housing element law requirements
- Regional Housing Needs Assessment
 - Adequate zoning for 1,914 units, including 770 lower-income units
- Finally adopted in 2011, found fully compliant with State Housing Element Law!

Major Housing Accomplishments



- Zoning permitting Emergency Shelters
- Priorities for extremely-low income housing
- Adopted Inclusionary Housing Ordinance
- Adopted Density Bonus Ordinance
- User-friendly Sites Inventory identifying housing opportunity sites
- Residential Overlay in Airport Area (eliminates constraints to affordable housing)

Major Housing Accomplishments



- Collected \$656,142 in in-lieu housing fees
- 6 senior accessory dwelling units (we can do better!)
- Contributed \$140,000 to preservation of 100 extremely low and very low-income units at Seaview Lutheran Apartments
- Housing production low due to economy; however City approved four Affordable Housing Implementation Plans (AHIPS)

Approved Housing Developments



- Santa Barbara Condos (79 units)
 - In-Lieu Fee Payment \$1.2 million
- North Newport Center (524 units)
 - 52 Very Low, 79 Low, or 105 Mod off-site rental units
- Banning Ranch (1,375 units)
 - 15% Very Low, Low, or Mod (for-sale and/or rentals)
 - 50% on-site, 50% various options
- Uptown Newport (922 units + 322 density bonus units)
 - 11% Very Low (102 du) or 20% Low rental unit (185 du): or
 - 40% Mod For-Sale (370 du)
 - First phase: 2014

CDBG Program

Accomplishments 2008-2012



- Seniors/Meals on Wheels: 584 persons (\$66,906)
 - Home delivered meals to homebound senior citizens who are unable to prepare meals for themselves due to age, illness, or disability
- Transitional Housing/Homeless Prevention 571 persons (\$38,470)
 - Programs to assist homeless families achieve and maintain self-sufficiency
- Substance Abuse: 37 persons (\$39,310)
 - Substance abuse recovery to homeless and low-income
- Domestic Violence: 68 persons (\$16,012)
 - Children and family counseling to heal effects of domestic violence and prevent homelessness
- Community Resources: 773 persons (\$17,555)
 - Provide medical care to uninsured
- Fair Housing: 754 persons (\$37,070)
 - Fair housing education, counseling and enforcement services

Preview of 2014-2021 Draft Housing Element



- Incorporates significant information and data from the current Housing Element
- Updated data and analysis based on 2010 Census and more recent American Community Surveys
- Refinements and new programs to address changed circumstances as needed

Regional Housing Needs Assessment (RHNA)



- Southern California Association of Governments (SCAG) prepared a Regional Housing Needs Allocation (RHNA)
- Assigned Newport Beach a share of the region's new housing units for the 2014-2021 planning period:

Very Low	Low	Moderate	Above Moderate	Total
1	1	1	2	5
20%	20%	20%	40%	100%

Population 2010



- Total Population: 85,186
- 12.5% population growth since 2000
(5.8% County increase)
- Growing senior population:
 - 18.9 % in 2010 (up from 17.4 % in 2000)
 - County 11.6 % in 2010



Ethnicity 2012



- Growing Asian and Hispanic Population
- Non-Hispanic White: **82.3%** (down from 88.3%)
- Hispanic: **7.2%** (up from 4.6%)
- Asian: **7%** (up from 4.7%)
- African American: **0.7%** (up from 0.5%)
- Other: **2.8%** (up from 1.9%)



Household Composition



- Total Occupied Housing Units: 38,751 (up from 33,071 in 2000)
- Average Person/Unit: 2.2
- Tenure: 54.8 % owner-occupied v. 45.2 % renter-occupied
 - County: 40.7% renter-occupied
- Average Vacancy Rate 12.3%
 - Influenced by seasonal units



Income



- 2010 Median Household Income: \$105,655 (County \$76,412)
- Lower-Income (27% of households)
 - 8.6% Extremely Low (0-30 % AMI)
 - 7.4 % Very-Low (31-50 % AMI)
 - 11% Low (51-80% AMI)
- Elderly renters had highest proportion of lower-income
 - 55% elderly renter
 - 30.3% of elderly homeowners



Special Needs Groups



- **Elderly**
 - 18.9% of City Population
 - 62.5% owner overpayment
 - 33.2% renter overpayment
- **Large Households**
 - 5% of all City households
 - 8% renter overpayment
 - 40% owner overpayment
- **Female-Headed Households**
 - 6% of City households
 - 12.7% below poverty level (\$23,550)
- **Persons with Disabilities**
 - 16% of City Households
 - 3.6% of children and adolescents
 - 4.1% of adults
 - 23.3% of seniors
 - Developmental Disabilities: 157 persons
- **Homeless**
 - Conservative estimate of 133 based on info from service providers, police, and school district
 - 42 homeless children enrolled in school NMUSD (includes doubled-up conditions not due to cultural reasons)

Housing Prices 2012



- Median price for single-family homes and condos ranges in NB zip codes ranged from \$760k to \$2.4 million
- Apartment Complex Rental Rates
 - One Bedroom: \$1,383 to \$2,420 (\$1,941 avg.)
 - Two Bedroom: \$1,806 to \$3,230 (\$2,312 avg.)
 - Three-Bedroom: \$2,510 to \$3,231 (\$2,857 avg.)
- Overpayment (+30% of annual income)
 - 30% of owner-occupied
 - 40% of renter-occupied



Housing Affordability in Newport Beach



Income Group (defined as % of County MFI \$85,300)	Median Income (4-person family)	Two- Bedroom Rental (Max. Rent)	Two-Bedroom Ownership (Max. Sales Price)	Housing Affordability
Extremely Low (<30% MFI)	\$28,900	\$722.50	\$86,700	Affordable/Assisted Rental Housing Units
Very Low (<50% MFI)	\$48,150	\$1,203.75	\$144,450	
Low (51-80% MFI)	\$77,050	\$1,926.25	\$231,150	Affordable/Assisted Rental Housing Units *Limited Market Rate Rentals Opportunities
Moderate (81-120% MFI)	\$102,350	\$2,558.75	\$307,050	Market Rate Rentals

Existing Affordable Housing



- 11 affordability covenants
- 5 owner-occupied
- 396 rental units
- Additional 127 Housing Choice Vouchers

Project Name/ Location	Type of Assistance Received	Earliest Possible Date of Change	Number of Units/Type
Domingo Drive 851 Domingo Dr	Section 8	Permanent	25 Very Low-Income
Newport Harbor Apartments 1538 Placentia Ave	Section 8 Density Bonus CDBG	2020	26 Low-Income
Newport Harbor II Apartments 1530 Placentia Ave	Section 8 Density Bonus CDBG In-Lieu Fee Funds	2023	10 Low-Income 4 Very Low-Income
Newport Seacrest 843 15 th St	Section 8 CDBG Fee Waivers Tax Credit Financing	2016	20 Very Low-Income 45 Low-Income
Pacific Heights Apartments 887 W. 15 th St	Section 8 Density Bonus	2019	7 Low-Income
Newport Seashore 849 West 15 th St	Section 8 Fee Waivers	2018	15 Low-Income
Newport Seaside Apartments 1544 Placentia Ave	Section 8 CDBG Fee Waivers	2017	25 Very Low-Income
Seaview Lutheran Plaza (Seniors) 2800 Pacific View Drive	Section 202 Section 8	2039	100 Extremely Low and Very Low-Income elderly
Villa Este 401 Seaward Road	—	2026	2 Moderate-Income (ownership)
Villa Sienna 2101 15 th St	Density Bonus	2021	3 Moderate-Income (ownership)
Bayview Landing (Seniors) 1121 Back Bay Dr	In-lieu Fee Funds Fee Waivers Tax Credit Financing	2056	24 Very Low 95 Low-Income

At-Risk Housing Units



Seven affordability covenants set to expire between 2016 and 2023 for a total of 153 rental units

- 2016: 20 very low and 45 low
- 2017: 25 very low
- 2018: 15 low
- 2019: 7 low
- 2020: 26 low
- 2021: 3 moderate for-sale
- 2023: 4 very low and 10 low

Quantified Goals & Objectives



Quantified Objectives for 2014-2021

Income Group	New Construction	Rehabilitation	Preservation
Extremely Low Income ¹	1 ²	5	95
Very Low Income	1 ²	5	77
Low Income	101 ²	10	86
Moderate Income	10	0	10
Above Moderate	1,119	284	0
Total	1,312	304	195

1. Presumed that 50% of the allocated Very Low-Incomes units under RHNA would qualify as Extremely Very Low-Income pursuant to Government Code Section 65583(a)(1).
2. A reduction in the total number of new lower-income housing units to be provided with the Uptown Newport project is possible as a result of providing very low- and extremely low-income units that require greater subsidies.

Quantified Goals & Objectives



- New Construction
 - Santa Barbara Condos, North Newport Center, and Phase 1 of Uptown Newport
 - Uptown Newport Affordable Units (56 – 202 units depending on affordability level and type)
 - 20 new senior accessory dwelling units
- Rehabilitation
 - Continued Code Enforcement and RBR
 - Assist 20 low-income households
- Preservation
 - 127 Housing Choice Vouchers (Sec. 8)
 - Attempt to preserve all 153 at-risk affordable rental units

Proposed Continuation of Programs



- Inclusionary Housing Ordinance
 - 15% of new units affordable
 - On-site, off-site, conversion, preservation, land dedication, or payment of in-lieu fees
- Affordable Housing Fund (in-lieu fees)
 - Construct, replace, or preserve affordable housing
 - Current balance \$2.2 million
 - Anticipated growth to \$5 million in FY2014
- Density Bonus
 - Between 5% and 35% increase in permitted units based on number of affordable units constructed

Proposed Continuation of Programs

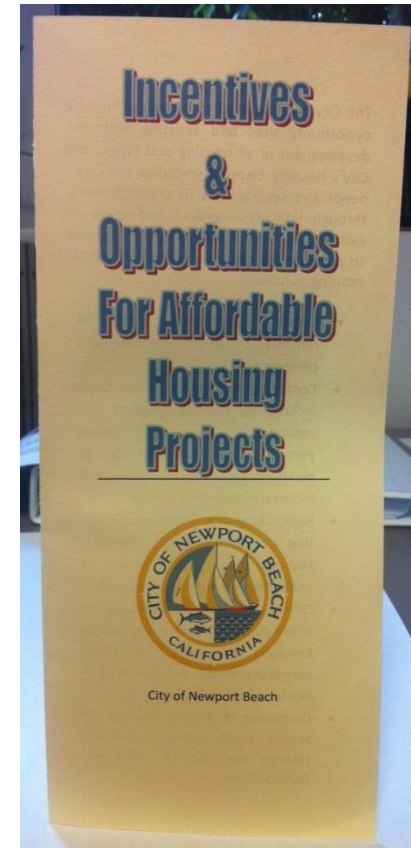


- Financial assistance to homeless services/shelters and other agencies that serve special needs groups
- Financial assistance to fair housing service provider
- Development Incentives

Continued Incentives for Affordable Housing Projects



- Inventory of potential development sites
- Rezoning opportunities
- Density Bonus including incentives
- Fee waivers
- Priority services
- Special incentives for Airport Area



New or Revised Programs



- Grants/loans to rehabilitate or preserve housing (HP 1.1.2)
 - Attempt to identify need through Code Enforcement
- Residential Building Records (HP1.1.4)
 - Reduce and prevent violations



New or Revised Programs



- Promote and facilitate development of Senior Accessory Dwelling Units (HP 5.1.3)
 - Existing program, but not well publicized
 - Highlight benefits and simplicity of approval
- Senior Citizen Independence (HP 5.1.7)
 - Housing services related to in-home care, meal programs, counseling, and senior center



Public Input



Question 1



Have the City's housing needs been adequately addressed?



Question 2



Have constraints or obstacles to providing housing in the City been adequately addressed?

Question 3



*What are your thoughts on
City's existing and
proposed programs?*

What's Next



- Please review Draft 2014-2021 Housing Element and submit comments for further consideration and refinement to Draft.
- Draft document is available online at:
<http://www.newportbeachca.gov/housingelementupdate>
- Hard copy available for viewing at City Hall

What's Next



- Gather comments and refine draft
- Planning Commission Review: April 18th
- City Council Review: May 14th
- Submittal of Housing Element to HCD May 2013
- HCD Review—60 days
- Planning Commission and City Council Hearings for adoption—August and September 2013
- Submittal of Adopted Housing Element to HCD—October 2013





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